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24 January 1945

PROPOSED ESTABLISHMENT OF A CENTRAL INTELLIGENCE SERVICE

References: a. The Director of O.S.S. memo to the President of 18 November 1944 (J.C.S. 1181)
b. J.I.C. 239/5

Report by the Joint Strategic Survey Committee

THE PROBLEM

1. To make comment and recommendation to the Joint Chiefs of Staff concerning the proposal of General Donovan for the establishment of a post-war Central Intelligence Service (reference a), and alternate proposals by the Joint Intelligence Committee (reference b).

DISCUSSION

2. The Joint Strategic Survey Committee, in addition to the study of references a and b and the preliminary Joint Intelligence Committee papers from which reference b was evolved, have discussed this subject at length with General Donovan, the Deputy Director, Intelligence, of O.S.S., Mr. Berle, representatives of the F.B.I., and the former war-time Directors of Naval and Military Intelligence.

3. It was the unanimous opinion of all officials concerned, that there is a great need for improvement in the organization and operation of the intelligence service of our government. The creation of a central coordinating authority, which is the basic concept of General Donovan, is generally regarded as essential to such improvement.

On the other hand, the particular organization proposed by General Donovan is approved by none of those consulted, except the representatives of the O.S.S. In this connection, however, it should be said that General Donovan, in the course of his oral discussion, considerably modified the views stated in his paper, particularly as regards the proposal that "intelligence control should be returned to the President," that a central intelligence authority "reporting directly" to the President "should be established in the executive offices of the President." This change in the concept of the original paper was further reflected in an organization diagram subsequently furnished by

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the Deputy Director, Intelligence, of O.S.S. This diagram would head up the central intelligence agency by an "Intelligence Directing Board, consisting of the Secretary of State, Secretary of War and Secretary of the Navy, and the Joint Chiefs of Staff," with a "Director" immediately subordinate thereto.

4. The Joint Intelligence Committee paper (reference b) finds substantial objection to certain proposals of reference a and submits alternative proposals, which, in its opinion, obviate these objections. The Joint Intelligence Committee paper represents a commendable effort toward the reconciliation of divergent views of its membership and was evolved only after lengthy discussions among the service and civilian members. As a result, this paper is limited to the basic outline of the proposed organization and avoids any effort to meet more specifically the many difficult problems which must be solved before this basic plan can be developed into an effective working organization.

5. The Joint Strategic Survey Committee considers that the organization proposed in General Donovan's paper (ref. a) is open to serious objection in that, without adequate compensating advantages, it would over-centralize the national intelligence service and place it at such a high level that it would control the operation of departmental intelligence agencies, without responsibility, either individually or collectively, to the heads of departments concerned. On the other hand, it is the committee's opinion that the proposal of the Joint Intelligence Committee, subject to certain changes indicated later, avoids the objections to General Donovan's proposal, and offers the most promising approach to the eventual solution of the problem of a more effective national intelligence service.

6. We should be on guard against hastily undertaking a too radical reorganization with the attendant disturbance of the present intelligence set-up, even though admittedly, it is far from perfect. On the other hand, it is highly desirable to agree now on a basic organization, consisting of a National Intelligence Authority, a Director of what will eventually be a Central Intelligence Agency, and an Intelligence Advisory Board. The directive establishing these groups should prescribe as their

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first duty, the development of an organizational plan, based on the concept outlined in the balance of the directive. In this connection, it will be noted that initially the proposed Intelligence Advisory Board would, in all probability, have substantially the same membership as the present Joint Intelligence Committee, plus a representative of the F.B.I.

7. It is recognized that in the development of a complete organizational plan, many difficult questions will arise which may eventually require decision at the highest level. Among these will probably be the degree of centralization, the responsibility for secret or clandestine intelligence, the future of the Office of Strategic Services and the position of the F.B.I. in the organization, particularly as regards its activities in the foreign field.

8. The following detailed comment concerning the directive proposed by the Joint Intelligence Committee (Appendix) is submitted:

Para. 1) As drafted, this paragraph provides for a "representative of the Joint Chiefs of Staff" as a member of the National Intelligence Authority. The Joint Strategic Survey Committee considers it highly desirable that the overall military point of view be adequately represented in the National Intelligence Authority. This could be accomplished directly by providing membership for:

- a. All the Chiefs of Staff
- b. The Chief of Staff to the Commander in Chief, or
- c. The Deputy Chiefs of Staff.

On the other hand, the Joint Chiefs of Staff may consider that adequate representation of the military point of view would be provided by relying upon the normal relationship between the individual Chiefs of Staff and their respective secretaries.

The decision of the Joint Chiefs of Staff on this question should be recorded by appropriate changes in paragraph 3 of the draft letter to the President and in paragraph 1 of the draft directive.

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There have been suggestions that the Attorney General be included in the National Intelligence Authority because of the F.B.I.'s interest. This is considered not justified by the responsibilities of the Attorney General in the use of intelligence on the policy or strategic level. Furthermore, such inclusion is considered undesirable, or at least impracticable, because of his position as a law enforcement agency,--a connection from which the Intelligence Authority, in so far as possible, should keep clear. The Director of the F.B.I. presumably would be a member of the Advisory Board, under paragraph 3 of the directive.

Para. 2) The Director of the Central Intelligence Agency should have a considerable degree of permanence--and should be either a specially qualified, high type civilian or a retired military officer of appropriate background and experience. If the ends desired are to be accomplished, it is considered absolutely essential that the first director should be in a position to exercise impartial judgment in the many difficult questions of organization which will come before him.

After paragraph 3, it is proposed to insert a new paragraph, which provides that the groups mentioned in the first three paragraphs will submit a basic organizational plan to the President, which, when approved, will implement the balance of the directive.

Para. 4 a) Synthesis and dissemination of intelligence is probably the most important function of the Central Intelligence Agency, and presents the most promising field for improvement over the present system.

Para. 4b) The phrase "including the direct procurement of intelligence" is intended primarily to include secret (clandestine) intelligence.

Para. 6) With a view to emphasizing the importance of protecting certain methods and sources of obtaining information, the following should be added:

"In the interpretation of this paragraph, the National Intelligence Authority and the Central Intelligence Agency will be responsible for fully protecting intelligence sources and methods which, due to their nature, have a direct and highly important bearing on military operations."

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9. The changes proposed by the Joint Strategic Survey Committee in the letter to the President and the draft directive proposed by the Joint Intelligence Committee are indicated in the usual manner in the Enclosure and the Appendix.

RECOMMENDATION

10. That the Joint Chiefs of Staff approve the Enclosure and the Appendix and forward them to the President, through the Secretary of War and the Secretary of the Navy.

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The Memorandum of the Director of Strategic Services, dated 18 November 1944, on the establishment of a central intelligence service was referred to the Joint Chiefs of Staff for comment and recommendation. The matter has received careful study and consideration.

The Joint Chiefs of Staff recognize, as does the Director of Strategic Services, the desirability of (a) further coordination of intelligence activities related to the national security; (b) the unification of such activities of common concern as can be more efficiently conducted by a common agency; and (c) the synthesis of departmental intelligence on the strategic and national policy level. They consider that these three functions may well be more effectively carried out ~~under a common intelligence agency~~, provided that suitable conditions of responsibility to the departments primarily concerned with national security are maintained. They believe, however, that the specific proposal to these ends made by the Director of Strategic Services in the Appendix to his Memorandum is open to serious objections in that, without adequate compensating advantages, it would over-centralize the national intelligence service, and place it at such a high level that it would control the operations of departmental intelligence agencies without responsibility, either individually or collectively, to the heads of the departments concerned. Consequently, the Joint Chiefs of Staff recommend against the adoption of the draft directive of the Director of Strategic Services.

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Enclosure

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The Joint Chiefs of Staff append hereto an alternative draft which, they believe, retains the merits of the Director's proposals while obviating the objections thereto. In brief, it provides that a central intelligence service be established in two steps. To this end they recommend approval and early issuance of the appended draft directive. This directive would at once set up a National Intelligence Authority (Secretaries of State, War and the Navy, and a representative of the Joint Chiefs of Staff), a director of a Central Intelligence Agency, and an Intelligence Advisory Board, (heads of the principal military and civilian intelligence agencies). The first duty of this group would be to prepare and submit to you a basic organizational plan for implementing the complete directive.

The success of the proposed organization will depend largely on the Director of the Central Intelligence Agency. In the opinion of the Joint Chiefs of Staff he should have considerable permanence in office, and to that end should be either a specially qualified, high-type civilian or a retired military officer of appropriate background and experience. It is considered absolutely essential, particularly in the case of the first director, that he be in a position to exercise impartial judgment in the many difficult problems of organization and cooperation which must be solved before an effective working organization can be established.

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APPENDIX

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DIRECTIVE REGARDING THE COORDINATION OF INTELLIGENCE ACTIVITIES

In order to provide for the development and coordination of intelligence activities related to the national security:

1. A National Intelligence Authority composed of the Secretaries of State, War and the Navy, and a representative of the Joint Chiefs of Staff is hereby established and charged with responsibility for such over-all intelligence planning and development, and such inspection and coordination of all Federal Intelligence activities, as to assure the most effective accomplishment of the intelligence mission related to the national security.

2. To assist it in that task the National Intelligence Authority shall establish a Central Intelligence Agency headed by a Director who shall be appointed or removed by the President on the recommendation of the National Intelligence Authority. The Director of the Central Intelligence Agency shall be responsible to the National Intelligence Authority and shall sit as a non-voting member thereof.

3. The Director of the Central Intelligence Agency shall be advised by an Intelligence Advisory Board consisting of the heads of the principal military and civilian intelligence agencies having functions related to the national security, as determined by the National Intelligence Authority.

✓ 4. The first duty of the National Intelligence Authority, assisted by the Director of the Central Intelligence Agency and the Intelligence Advisory Board, shall be to prepare and submit to the President for his approval a basic organizational plan for implementing this directive in accordance with the concept set forth in the following paragraph

5. Subject to the direction and control of the National Intelligence Authority, the Central Intelligence Agency shall:

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a. Accomplish the synthesis of departmental intelligence relating to the national security and the appropriate dissemination within the Government of the resulting strategic and national policy intelligence.

b. Plan for the coordination of the activities of all intelligence agencies of the Government having functions related to the national security, and recommend to the National Intelligence Authority the establishment of such overall policies and objectives as will assure the most effective accomplishment of the national intelligence mission.

c. Perform, for the benefit of departmental intelligence agencies, such services of common concern as the National Intelligence Authority determines can be more efficiently accomplished by a common agency, including the direct procurement of intelligence.

d. Perform such other functions and duties related to intelligence as the National Intelligence Authority may from time to time direct.

6. The Central Intelligence Agency shall have no police or law-enforcement functions.

7. Subject to coordination by the National Intelligence Authority, the existing intelligence agencies of the Government shall continue to collect, evaluate, synthesize, and disseminate departmental operating intelligence, herein defined as that intelligence required by the several departments and independent agencies for the performance of their proper functions. Such departmental operating intelligence as designated by the National Intelligence Authority shall be freely available to the Central Intelligence Agency for synthesis. As approved by the National Intelligence Authority, the operations of the departmental intelligence agencies shall be open to inspection by the Central Intelligence Agency in connection with its planning function. In the interpretation of this paragraph the National Intelligence Authority and the Central Intelligence Agency will be responsible for fully protecting intelligence sources and methods which, due to their nature, have a direct and highly important bearing on military operations.

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8. The National Intelligence Authority shall have an independent budget upon which the Central Intelligence Agency shall be dependent for budgetary support. The National Intelligence Authority budget shall also be available for other intelligence activities as the National Intelligence Authority may direct. Within the limits of the funds made available to him, the Director of the Central Intelligence Agency may employ necessary personnel and make provision for necessary supplies, facilities and services. With the approval of the National Intelligence Authority, he may call upon departments and independent agencies to furnish such specialists as may be required for supervisory and functional positions in the Central Intelligence Agency, including the assignment of military and naval personnel.